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*The*

# Producer-Screen Directors Guild

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## BASIC AGREEMENT OF 1939

AS

MODIFIED IN 1942

AND

AMENDED IN 1944

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# Producer-Screen Directors' Guild

## BASIC AGREEMENT OF 1939

### AGREEMENT

*AGREEMENT* executed at Los Angeles, California, as of March 13, 1939, between SCREEN DIRECTORS GUILD, INC., a California non-profit membership corporation, hereinafter called the "Guild," and severally TWENTIETH CENTURY-FOX FILM CORPORATION, LOEW'S INCORPORATED, COLUMBIA PICTURES CORPORATION OF CALIFORNIA, LTD., SAMUEL GOLDWYN INC., LTD., WARNER BROS. PICTURES, INC., PARAMOUNT PICTURES, INC., RKO-RADIO PICTURES, INC., UNIVERSAL PICTURES COMPANY, INC., and such other parties engaged in the production of motion pictures as may hereafter severally become signatories hereto, each hereinafter sometimes referred to as the "producer" or the "producers," and sometimes as "company" or "companies,"

### WITNESSETH:

In consideration of the mutual agreements herein contained, the parties agree as follows:

### ARTICLE I

### Recognition

Guild is sole bargaining agent for all directors*.

SECTION A:

The Guild is recognized by the producers and each of them and will be during the term of this agreement, as the sole collective bargaining agent for all directors and first and second assistant directors in the motion picture industry.

DEFINITIONS of —

SECTION B:

For the purpose of this agreement, it is agreed that:

Director defined as commonly understood, but

Director may also be a producer.

1. *Director:* A director is one who directs the production of motion pictures, as the word "direct" is commonly used in the industry. The fact that he may also render services as a producer and/or writer or in any other capacity shall not take him out of the classification of directors, with reference to any work performed by him as a director, and during the period of such work.

First Assistant, and

2. *First Assistant Director:* A first assistant director, in addition to the performance of other duties, acts as an assistant to the director.

Second Assistant, assist Director, but

3. *Second Assistant Director:* A second assistant director, in addition to the performance of other duties, acts as an assistant to the first assistant director, for the purpose of relieving him of many details.

Unit Manager is assistant to producer.

4. *Unit Manager:* A unit manager, in addition to the performance of other duties, acts as an assistant to the production manager of the studio and/or the producer and is a channel through which the production office maintains contact with the shooting unit, and anyone who performs these duties shall be deemed to be either a unit manager or a first assistant director, to the extent that persons rendering such services as of March 13, 1939, have been so regarded.

All definitions are written in the light of understanding at each Studio March 13, 1939.

First and second assistant directors and unit managers are defined as said terms are severally and commonly understood at the respective studios of the producers signatory hereto as of March 13, 1939. Some producers do not employ unit managers

*Side notes are not a part of the contract. Read them down consecutively for a running story.

and some do not employ them in connection with all productions, and in the instances in which unit managers are not employed the functions performed by unit managers are wholly or partially performed by first assistant directors and/or by the production departments of such studios.

Where both unit managers and assistant directors are employed by a producer, or where a unit manager is occasionally employed on individual productions, the functions of the unit manager relate substantially but not entirely to business functions, and those of assistant directors relate substantially but not entirely to functions more directly under or with the director on the set. It is recognized, however, that any individual may sometimes work as an assistant director and sometimes as a unit manager.

One person may alternate work as Assistant Director and Unit Manager.

INTERPRETATION

SECTION C:

Working conditions not to be changed because of agreement

1. It is the intent of this agreement to include in the classification of unit managers present and future employees who perform the duties actually being performed by unit managers as of March 13, 1939, at the respective studios then employing unit managers.

so as to reduce pay,

but producer is not obligated always to keep present studio setup.

It is agreed both with reference to first and second assistant directors, and unit managers as well, that working conditions will not be changed by reason of the execution of the Basic Agreement. The purpose of this provision is primarily to avoid reduction in working hours so as to pay less money or to avoid delegating to employees of other classifications the duties of the first and second assistants and unit managers, but nothing in this agreement contained shall be construed so as to oblige any producer to continue with its present relative setup as between unit managers and first and second assistants.

Actual working conditions at each Studio March 13, 1939, to control interpretation of this agreement,

and producers will not reclassify employees so as to defeat Guild recognition or quota obligations,

2. Although it is recognized that the duties of first and second assistant directors and the duties of unit managers differ among the various producers and on various assignments, it is understood that the actual working conditions of each producer on March 13, 1939, are to be considered in any interpretation of this agreement, and that it is an element of good faith of, and part of the consideration for this Basic Agreement that no producer will make such a general rearrangement of duties or changed classifications of employment for the purpose of defeating the purpose and intent of Article I, Section A, and Article II, Section A.

but a producer may sometimes casually employ a unit manager,

3. In the case of producers not maintaining the unit manager system (this includes producers producing five or more pictures a year in which a single unit manager is permanently employed and such producers, and other producers by which unit managers may be employed occasionally but not as a part of the regular production setup) if a first assistant is casually employed to perform unit manager's duties, his classification will not change from that of a first assistant director.

or may maintain the unit manager system, in which case,

4. In the case of producers maintaining the unit manager system (that meaning that their setup includes the employment of both unit managers and first assistant directors for more than casual assignments) the employment of a member of the Screen Directors Guild as a unit manager shall entitle such employee to the classification of a unit manager and to be transferred to the Unit Managers Guild and to be honorably discharged from the Screen Directors Guild for the period of such employment.

when an employee's work changes he may change Guilds.

Likewise the employment of a member of the Unit Managers Guild as a first or second assistant director shall entitle such employee to the classification of a first or second assistant director, as the case may be, and to be transferred to the Screen Directors Guild and to be honorably discharged from the Unit Managers Guild for the period of such employment.

Nothing herein is to be construed to prevent, within the discretion and direction of the producer, an assistant director from performing the duties of a unit manager, or a unit manager from performing the duties of an assistant director.

A dispute in employee's classification may be arbitrated.

5. Should the Guild dispute any producer's designation of the duties of any individual so as to qualify or disqualify such individual for Guild membership, the classification of such individual shall be determined by arbitration pursuant to the provisions of this agreement.

Producer will furnish lists of employees,

6. To check compliance with this contract, it is agreed that each producer from time to time and on request of the Guild shall furnish to the Guild a list of directors and first and second assistant directors and unit managers currently employed showing the periods of such employment.

and keep lists up to date

Each producer further agrees that it will thereafter and within five days after the happening of the event furnish the Guild with supplemental lists showing the names of all persons subsequently employed or dropped and the kind of work done by each. The Guild shall be entitled to rely upon such lists, and should any producer fail to notify the Guild when an employee has been dropped the Guild will be entitled to count such employee against such producer in checking the 20% quota of such producer.

and Guild may compute quotas by such lists.

## ARTICLE II

### Guild Shop

Producer will maintain 80% Guild shop as to Directors.

Section A:

1. *Directors:* It is agreed that at all times 80% of the directors in the employ of each producer signatory to this agreement shall be members of the Guild in good standing.

100% Guild shop as to first assistants.

2. *First Assistant Directors:* (1944 Amendment) Effective March 11, 1945, at all times 100% of the first assistant directors in the employ of each producer signatory to this agreement shall be members of the Guild in good standing.

100% Guild shop as to second assistants.

3. *Second Assistant Directors:* (1944 Amendment) Effective March 11, 1945, at all times 100% of the second assistant directors in the employ of each producer signatory to this agreement shall be members of the Guild in good standing.

100% Guild shop reverts to 80% if initiation fees or dues are increased.

4. At any time during the balance of the term of this agreement, any upward revision in the initiation fee and/or dues for first and/or second assistant directors from those in effect on October 1, 1941, the 100% shop provisions shall automatically revert to the 80% Guild shop provisions established by the Producer-Screen Directors Guild Basic Agreement of 1939 as modified in 1942.

TO KEEP QUOTA,

Section B:

Producers have delivered lists of employees to Guild, and

Guild has given lists of members to Producers,

and will keep lists up to date, and

producers may rely on Guild lists.

1. Prior to the execution of this agreement each producer signatory has delivered to the Guild a complete list of all directors and first and second assistant directors who were employed as such by each of said producer signatories as of March 13, 1939, and the Guild has delivered to the producer signatories a complete list of all members in good standing of the Guild as of said March 13, 1939, supplemented as of the date of the actual execution of this instrument. The Guild agrees that it will furnish all producer signatories from time to time with supplemental lists showing the names of all persons who are or have been subsequently admitted to membership and, as well, of all members who have ceased to be members of the Guild in good standing. Each producer shall be entitled to rely upon such lists as furnished by the Guild, and should any producer give employment to any director who has ceased to be a member of the Guild in good standing, prior to written notification by the Guild of such changed status, such employee shall not be included in the 20% quota.

Guild will accept new members as producer takes on new employees.

2. The Guild will accept as a member of the Guild any director or first or second assistant director the producer wishes to employ. Such acceptance must be effective as of not later than the date the employment actually starts.

Guild will not impose unreasonable dues or transfer charges.

3. The Guild will not impose unreasonable initiation fees, dues or assessments, or unreasonable fees for transfer pursuant to Article I, Section C, Sub-section 4.

20% QUOTA

SECTION C:

consists of all non-Guild employees.

Except for the instances set forth in this Article, it is understood that if any producer employs a non-Guild director, such employee shall be included within the applicable 20% quota, and continue in such quota until or unless he becomes a Guild member.

SPECIAL QUOTA PROVISIONS

SECTION D:

Quota compliance determined by ratio of Guild member employees to total employees, but

1. Compliance or non-compliance with the terms of this Article with reference to maintaining the required percentage of Guild Shop shall be determined at any time by taking the ratio of the total number of Guild member directors employed by any producer to the total number of directors employed by such producer, with, however, the following exceptions:

producer may have any one out of first five directors non-Guild

(a) Each producer shall be entitled to have any one of the first five or less directors employed by it during any year of the Basic Agreement, a non-Guild member. If more than five directors are employed by any producer during any year, not more than 20% of all directors employed by such producer during the year, whether contract or free lance, may be non-Guild members.

but cannot produce more than one out of five pictures by non-Guild free lance employees.

If a producer produces five pictures or less during the year, some under the direction of a contract director and some under the direction of free lance directors, then if the contract director is a non-Guild member, all other directors, whether contract or free lance, must be Guild members, and likewise, if a free lance director is employed in the direction of any one of such five or less pictures and is not a Guild member, no non-Guild director may be employed to direct any other of such five pictures.

If such five or less pictures are directed by free lance directors only, then only one of such pictures may be directed by a non-Guild member.

Contract employee counted in quota of producer with whom contract runs.

(b) An employee, who is employed under an exclusive term contract by a producer, shall be counted in the quota of such producer at all times during the term of such contract, including periods during which the employee may be on lay-off and periods during which such contract may be suspended by reason of illness or default of the employee, or otherwise. An employee shall be included in the quota of the producer by which he is employed regardless of the fact that his services may be loaned to another producer. In case a director employed under a term agreement has the right to suspend such term agreement for the purpose of making an outside picture, during the making of such picture he shall be counted in the quota of the producer for which he is making the outside picture. In case a director is not under an exclusive term contract with any producer, he shall be counted only in the quota of the producer to which he is obligated to render his services and then only for the period during which he is so obligated.

Free lance employees counted in quota of studio only while obligated there.

Directors under contract March 13, 1939, may be continued for term of contract irrespective of employees' continued good standing with Guild, if producer sees Guild dues are paid. Guild will set up "special nonvoting contract memberships" for quota purposes.

2. In the event any director or first or second assistant director who is, at the time of the effective date of this agreement, a member of the Guild in good standing, and also under contract with a producer, subsequently, and before his contract term expires, ceases to be a member of the Guild in good standing, such employee may, if the producer so elects, be continued on the rolls of the Guild as a "special non-voting contract member" and so long as dues are paid to the Guild,

Producer has this privilege for full term of all present contracts, but

for no renewals,

he may continue to perform the duties provided for in his contract for the balance of the term of the contract, including options exercisable by the producer only (but for no renewals or continuances not provided for in the contract at the time of the effective date of this agreement or which necessitate the consent of both parties) without being included in the 20% non-Guild quota, and if the producer elects to have him perform the balance of his contract under the above conditions, producer will see that such dues are so paid during any period such director continues to perform his duties under such contract, but it is understood that before any new contract or renewal or extension of any existing contract (other than by exercise of the above-referred-to-options) may be executed or exercised by producer with such director, such director must either be reinstated in the Guild as a member in good standing or included in producer's 20% non-Guild quota. "Dues," as used herein, shall not include fines, penalties or assessments.

unless employee is reinstated in good standing in the Guild.

Producer has special exceptions to quota requirements

3. The producer may continue to employ (as part of the 80% Guild quota) any director with whom it may hereafter enter into a contract without reference to whether or not such director actually remains a member of the Guild and without including such director in the 20% non-Guild quota under any of the following circumstances:

to allow an employee to finish an assignment, and

(a) If any such director who is engaged in the production of a photoplay ceases to be a member of the Guild in good standing, and the producer pays the dues of such director, the producer may continue to employ such director until the completion of his services in connection with the production with which he was engaged at the time he ceased to be a member in good standing.

for three months after Guild serves notice on producer that employee has ceased to pay dues.

(b) If any such director fails to pay his dues to the Guild and such director as a result thereof ceases to be a member of the Guild in good standing, the Guild agrees to serve written notice of such fact on the producer, and the producer may have three months after receipt of such written notice to continue to employ such director by paying such director's dues during said three months or producer may proceed under Sub-section 4 below.

Instances of special hardship in keeping quota obligation with directors on feature pictures, if not met by Guild waiver, may be arbitrated,

4. In the event that a producer hereafter enters into an employment contract with a director who customarily directs feature pictures and who at such time or at the time of the commencement of his employment is a member of the Guild in good standing and thereafter such director, through no act or inducement of the producer, ceases to be a member of the Guild in good standing and the producer believes it is thereby placed under hardship preventing it from placing, or resulting from placing, such director in the 20% non-Guild quota, the producer, unless the Guild issues a satisfactory waiver, may submit the question to arbitration as provided in Article V, and the arbitrators may relieve the producer of such hardship by—(a) providing for a larger percentage than 20% non-Guild quota for such producer for such period as may be necessary to relieve the producer of such hardship, or (b) permitting the producer to pay or arrange for the payment of dues of such contract directors as have ceased to be members of the Guild in good standing for the period of his or their contract or contracts with such producer, or for the period of the Guild agreement, whichever is the shorter.

and arbitrators must take producer's peculiar needs, and its contract obligations into consideration.

It is understood and agreed that the arbitrators must take into consideration in arriving at their decision—

(a) Whether the producer can include, or can continue to include such directors in the 20% non-Guild quota without discharging any other employees, without losing the producer's rights to extend contracts with other directors, or without losing the right to employ directors whom the producer has scheduled to direct one or more pictures or whom the producer regards as peculiarly fitted for the producer's requirements.

(b) Any other facts or circumstances existing in the producer's business, particularly (but not exclusively) with reference to the producer's obligation on existing contracts or plans for making particular pictures.

In addition to any right under (a) of the preceding Sub-section 3, pending decision of the Board of Arbitration but not to exceed sixty days, the producer may continue to treat such directors as being within the 80% Guild quota, providing it pays or arranges for the payment of dues of such directors to the Guild during such period.

If new circumstances arise in connection with any matter arbitrated pursuant to the provisions of this Sub-section 4 which circumstances in the opinion of either the Guild or the producer affected justify a modification of the prior decision, the matter may be resubmitted to arbitration by either party, such arbitration to be conducted pursuant to the provisions of this Sub-section.

INTENT OF ARTICLE II

SECTION E:

Failure to pay Guild dues no defense to a contract.

1. It is the intent that failure to pay dues or other breach by a Guild member of his obligations to the Guild shall not give such member any defense to a producer's right to enforce the terms of any contract of employment existing with such director or first or second assistant director.

Guild will not close membership books to exclude new employees.

2. It is the intention hereof to prevent the Guild from closing its books so as to prevent any person who wishes to act as a director or as a first or second assistant director from joining the Guild.

Pictures and quota counted when photography starts.

3. For the purposes of this Article, pictures and quotas shall be computed as of the year in which photography is commenced.

"Special contract Guild member" counted in 80%.

4. The special contract Guild member referred to herein shall be counted as a Guild member for the computation of the quota.

If producer pays Guild dues, same to be deducted from employee's salary.

5. If the producer elects under the provisions of this Article to pay the dues of any person who has ceased to be a member of the Guild in good standing, so as to hold him in the classification of a "special non-voting contract member," it is the intent that the producer will have the right to deduct such dues so applied from the salary of such director.

Producer will hereafter employ mainly Guild members and so may arbitrate any special hardship caused by a conscientious objector.

6. It is understood that after the effective date of this agreement, the producers will endeavor to employ only Guild members, or, at the time of their employment endeavor to take advantage of the provisions of Sub-section 2 of Section B of this Article; but if any producer believes it is placed under hardship in meeting quota obligations because of employing a director (as defined in Section D, Sub-section 4 above) who, at the time of his employment, has stated in writing a conscientious objection to Guild membership, then such producer may apply to the Guild for a waiver of quota obligations as to such director, and if the Guild fails to issue a satisfactory waiver, such producer may proceed to arbitration under Section D, Sub-section 4 above, but nothing hereinabove shall be construed so as to deprive any producer of any rights with reference to the 20% quota.

## ARTICLE III

### WHAT MAY BE ARBITRATED AND WHAT CONCILIATED

BOTH CONCILIATION AND ARBITRATION of complaints under Basic Agreement.

SECTION A:

All complaints of abuses or violations of the terms of the Basic Agreement may be subject to conciliation and arbitration according to the machinery set up in Articles IV and V hereof. Such arbitrations shall be binding and conclusive upon the parties thereto.

But Agreement to be changed by arbitration.

SECTION B:

Changes in the terms of the Basic Agreement cannot be made by arbitration, but:

Proposed changes may be made by unanimous vote of conciliation committee.

1. A proposed revision of the Basic Agreement, including minimum wages, and working conditions, may at any time be referred to the Conciliation Committee as provided in Article IV, but only if there is a unanimous decision of the Conciliation Committee will the proposed change become an amendment to the Basic Agreement.

Arbitration for changed terms may be had once every two years but only binding by mutual consent.

2. If any proposed revision of the Basic Agreement has not been effected by conciliation as provided in 1 above, then at any time, but not oftener than once every two years, at the request in writing of any party, the subject may be referred to the Arbitration Committee provided in Article V, and if the findings of the Arbitration Committee are agreed to in writing by the Guild and any producer or producers, such findings shall thereupon become a part of the Basic Agreement as between the Guild and such producer or producers so assenting, but such findings shall not be binding on any other party.

No arbitration of individual disputes but full conciliation of such matters.

SECTION C:

There is to be no arbitration whatsoever of individual disputes, but any dispute between any director and any producer, or between any first or second assistant and any producer, may at the instance of either such producer or the Guild be brought in writing before the Conciliation Committee. Findings of such committee will become binding only by the unanimous vote of the full committee. Nothing herein contained shall be construed so as to prevent as between individual employer and employee immediate recourse to the courts without prior conciliation by such parties, but the parties to this agreement will be bound to arbitrate pursuant to Articles IV and V any questions arising between them under this Basic Agreement, if arbitrable hereunder.

## ARTICLE IV

### MACHINERY FOR CONCILIATION

CONCILIATION

SECTION A:

Committee composed of

A Standing Conciliation Committee for the Guild and each producer, consisting of four members, shall be organized as follows:

two for Guild and

1. Two members in good standing of the Guild shall be designated by the Guild, and as soon as so designated, but in any event not longer than thirty days after signing this agreement, notice thereof shall be sent in writing by registered mail to the producer for which such committee is organized.

two for Producers.

2. Two representatives shall be designated in writing by the producer for which such committee is organized and as soon as so designated, in any event not later than thirty days after the execution of this agreement, the names shall be forwarded by registered mail by such producer, to the Guild. Each producer may designate its own separate representatives or it may designate those named by other producers, and it and the Guild may from time to time make substitutions.

The Guild may designate separate representatives for each producer signatory but need not do so.

All may be interested parties.

3. The representatives of both the Guild and the producers may be interested persons, but not personally or directly involved in the matter under dispute.

PROCEDURE

SECTION B:

Representatives on Committee may be changed.

The Standing Committee provided for above will be maintained at all times during the life of this agreement, and as changes in the personnel of any representatives are made by any party, such party will notify the others, it being understood that such substitutions will be made within three days (excluding Sundays and holidays) following the submission of any matter.

Committee meets every six months or oftener.

The Standing Committee will meet from time to time, in any event not less than once every six months. The committee shall have two chairmen, consisting of one producer and one Guild member. When a complaint is made to the Committee from the Guild, it will be the duty of the Guild chairman to act, and when a matter is referred by a producer, the duty of the producer chairman to act.

Complaints to be stated in writing.

If either the Guild or any member thereof or the producers or any of them have any grievances or complaints of abuses of any of the terms of this Basic Agreement, or complaint of any other matter specifically referred to conciliation by the terms hereof, such complaint shall be stated in writing, and signed by the person or corporation making the same and addressed in duplicate by registered mail to the Chairman of the Standing Conciliation Committee. It will be the duty of the appropriate chairman to refer the matter to the members of the Standing Conciliation Committee and such committee must as soon as possible after the receipt of said complaint, meet, consider the matter, and act upon such complaint or grievance and state in writing its conclusions, and if such conclusions are unanimous, may adjust the matter in dispute, and such adjustment shall be binding upon all parties to the proceedings, including also all individual members of the Guild. But if said Standing Conciliation Committee is unable within thirty days (unless time be extended in any instance by the joint consent of the two chairmen) after the receipt of said complaint or grievance, to agree unanimously upon a proper adjustment, said Standing Conciliation Committee shall:

Decision of Committee unanimous to be binding, and

matters to be acted on within 30 days.

(a) file its report, or

(b) if said Standing Committee regards the matter as frivolous, it may so state and dismiss the complaint, or

(c) if, pursuant to the terms of this agreement, the matter is arbitrable, refer the complaint to the Committee of Arbitration as provided in Article V hereafter.

INTENT OF ARTICLE IV

SECTION C:

to furnish full conciliation of all differences of every kind,

It is intended to provide that any matter concerning interpretation of the terms of this Basic Agreement, alleged abuses arising from the performance thereof, and other matters of eevry sort concerning which dissatisfaction may arise between the producers and the Guild, or a member of the Guild, may be referred to the Conciliation Committee, it being the intent in this Basic Agreement to provide for full and free conciliation of differences of every kind whatsoever.

but arbitration of only abuses of this agreement and a few other special matters.

But it is also understood and agreed that matters to be submitted to arbitration are strictly limited to:

(a) complaints of abuses growing out of the terms of the Basic Agreement, which must be presented by signatories to the agreement, and

(b) other matters properly arbitrable by the Arbitration Committee, as herein provided and in the manner as provided in Article V, but it is intended that there is to be no arbitration of individual disputes.

## ARTICLE V

### MACHINERY FOR ARBITRATION

ARBITRATION COMMITTEE

SECTION A:

created same as Conciliation Committee.

An Arbitration Committee consisting of four members shall be appointed, two by the Guild and two by each producer, in the same manner as in Article IV, Section A, Sub-sections 1, 2 and 3. All arbitrators provided for in this Article may be interested persons but not personally or directly interested in the matter under dispute.

ARBITRATION PROCEDURE

SECTION B:

Majority of four may decide,

To hear such disputes as are referred from the Standing Conciliation Committee and which are properly arbitrable hereunder, the Arbitration Committee shall sit

or choose a fifth arbitrator, by lot, from

a list shown below.

within seven days after the matter is referred. If a majority of the Arbitration Committee of four agrees upon the terms of settlement of the referred dispute, such conclusions by such majority shall be final and binding upon all parties to the arbitration. If, however, such Arbitration Committee is unable to decide, it shall within ten days call in a fifth arbitrator. This fifth arbitrator is to be chosen by lot from an authorized list of eligible arbitrators. Made a part of this agreement is a list of at least ten names of prominent persons within the motion picture industry, any one of whom each of the parties hereto agrees may be chosen by lot to be the fifth arbitrator. From time to time additional names may be added to this list by written mutual agreement. The decision of a majority of the board of five arbitrators shall control, except as otherwise provided in Article III, Section B of this agreement.

List of persons within the motion picture industry, made a part of this Agreement pursuant to the foregoing Section B of Article V:

George L. Bagnall
Edgar Bergen
Irving Berlin
Edward O. Blackburn
Fred Gabourie
Cary Grant
Jean Hersholt
Louis D. Lighton
J. R. McDonough
Kenneth McKenna
Fred L. Metzler
Ralph Morgan
Robert Ritchie
Howard Strickling

# MODIFICATION AGREEMENT OF 1942

*AGREEMENT* executed at Los Angeles, California, as of the 15th day of July, 1942, between SCREEN DIRECTORS GUILD, INC., a California non-profit membership corporation, hereinafter called the "Guild", and severally, TWENTIETH CENTURY-FOX FILM CORPORATION, LOEW'S INCORPORATED, COLUMBIA PICTURES CORPORATION, SAMUEL GOLDWYN INC., LTD., WARNER BROS. PICTURES, INC., PARAMOUNT PICTURES, INC., RKO-RADIO PICTURES, INC., UNIVERSAL PICTURES, COMPANY, INC., and such other parties engaged in the production of motion pictures as may hereafter severally become signatories hereto, each hereinafter sometimes referred to as the "producer" or the "producers", and sometimes as "company" or "companies",

WITNESSETH:

In consideration of the mutual agreements herein contained, the parties agree as follows:

*ONE.* That portion of Article VI of the Producer-Screen Directors Guild Basic Agreement of 1939 (hereinafter referred to as the "Basic Agreement"), commencing with the title "Working Conditions of Directors", and including the whole of Sections A and B of said Article VI, shall be, and the same hereby is, deleted from said Basic Agreement, and in lieu thereof and in substitution therefor the following Sections A and B of Article VI are hereby adopted and incorporated in and made part of the Producer-Screen Directors Guild Basic Agreement of 1939:

## ARTICLE VI

*Minimum Salaries and Working Conditions of Directors*

### Free Lance Directors

Section A:

Freelance Directors.

Each producer agrees that the minimum salaries and working conditions set forth in paragraphs 1 to 12, both inclusive, of this Section A shall govern the employment of free lance directors:

Westerns costing $15,000 or less.

1. For each western feature picture, the estimated cost of which is $15,000.00 or less, a weekly minimum salary of $300.00, with a two-week guarantee of employment. No allowance of time or compensation shall be required for preparation or cutting in connection with this class of picture, except as a matter of individual negotiation.

Westerns costing $15,000 to $25,000.

2. For each western feature picture, the estimated cost of which is $25,000.00 or less, but in excess of $15,000.00, a weekly minimum salary of $400.00, with a two-week guarantee of employment. No allowance of time or compensation shall be required for preparation or cutting in connection with this class of picture, except as a matter of individual negotiation.

Westerns costing $25,000 to $75,000.

3. For each western feature picture, the estimated cost of which is in excess of $25,000.00 but not in excess of $75,000.00, a weekly minimum salary of $350.00, with a three-week guarantee of employment. For preparation prior to photography, each free lance director of this class of picture shall be allowed five (5) days, which shall be included as a part of the three-week guarantee of employment. No allowance of time or compensation shall be required for cutting in connection with this class of picture, except as a matter of individual negotiation. All western feature pictures, the estimated cost of which is $75,000.00 or over, shall be included in other feature pictures hereinafter in paragraph 5 mentioned.

Dramatic picture costing $25,000 or less.

4. For every feature picture not covered in paragraphs 1, 2, and 3 above, the estimated cost of which is $25,000.00 or less, a weekly minimum salary of $400.00, with a two-week guarantee of employment. No allowance of time or compensation shall be required for preparation or cutting in connection with this class of picture, except as a matter of individual negotiation.

Dramatic picture costing over $25,000 and Westerns costing $75,000 or more.

5. For each feature picture, other than a western, the estimated cost of which is in excess of $25,000.00, and for westerns, the estimated cost of which is $75,000.00 or more, a weekly minimum salary of $400.00, with a one-week guarantee of employment. Preparation time shall be allowed in accordance with the provisions of paragraph 11 of this Section A, which preparation time shall be included as a part of the one-week guarantee of employment. Cutting time shall be allowed in accordance with the provisions of Section B of this Article VI, if the free lance director of this class of picture receives a salary of $750.00 per week or less, such cutting time likewise to be included as a part of the one-week guarantee of employment.

Serials.

6. For each serial, a weekly minimum salary of $250.00, with a six-week guarantee of employment. For preparation prior to photography, each free lance director of this class of picture shall be allowed five (5) days, which shall be included as a part of the six-week guarantee of employment. Cutting time shall be allowed in accordance with the provisions of Section B of this Article VI, if the free lance director of this class of picture receives a salary of $750.00 per week or less; such cutting time likewise to be included as a part of the six-week guarantee of employment.

All freelance directorial contracts to contain starting date.

7. All contracts entered into for the employment of free lance directors for the purpose of directing motion pictures of the respective types and classifications, and for the respective minimum compensations, covered by the foregoing paragraphs 1 to 6, inclusive, of this Section A, of this Article VI shall provide an "on or about" starting date; it being agreed that the phrase "on or about" shall allow a latitude of one (1) week either prior to or after the starting date specified in such contract; and it being further agreed that the exact date for the commencement of the term of such contract is to be specified by the producer and is to be not earlier than one (1) week before the starting date specified in such contract nor later than one (1) week after the starting date therein specified.

Director recalled for additional work on completed picture shall receive additional compensation.

8. Should a director employed for the purpose of directing a motion picture of any of the respective types and classifications, for the respective minimum compensations covered by paragraphs 1 to 6, inclusive, of this Section A of this Article VI, be recalled, after having been closed, for additional work, including but not limited to retakes, added scenes, sound track, process shots, transparencies or trick shots, trailers, changes, or for any other purpose, compensation for such additional services shall be payable at the weekly rate provided for in this contract of employment covering such picture, but shall be payable only for the days on which such services are actually performed. In computing compensation for such services rendered for a period of less than a full week, the weekly rate shall be prorated and for this purpose the rate per day shall be one-sixth (1/6th) of the weekly rate. It is agreed, however, that no compensation shall be payable for such services to the extent that they are rendered during any period for which the producer is otherwise obligated to pay or has paid compensation to the director.

Employment of Director subject to "force majeure" clause, Governmental action or decrees, etc.

9. The provisions of this Section A with reference to the obligation of the producer to furnish employment for the respective "guarantee" periods above specified, shall, of course, be subject to any and all rights of suspension and/or termination which the producer may have by contract or otherwise in the event of any incapacity or default of the director, or in the case of any interference, suspension or postponement of production by reason of strikes, acts of God, Governmental action or decrees, casualties, or any other causes provided for in the so-called "force majeure" clause of such director's contract of employment. The obligation of the producer, upon entering into a contract for the employment of a free lance director, to furnish employment during any of the foregoing "guarantee" periods of employment, shall be wholly satisfied by the payment of the agreed salary for the applicable minimum period.

Daily rate one-sixth of weekly rate.

10. In computing compensation to be paid to any free lance director with respect to any period of less than a week, the weekly rate shall be prorated and for this purpose the rate per day shall be one-sixth (1/6th) of the weekly rate.

PREPARATION TIME

11. Each free lance director, for preparation prior to photography, shall be allowed the following time:

(a) For each feature picture, the estimated cost of which is in excess of $200,000.00, two (2) weeks.

(b) For each feature picture, the estimated cost of which is $200,000.00 or under, but more than $25,000.00, one (1) week, except as provided in paragraph 3 of this Section A.

(c) For shorts (as defined herein), two (2) days.

The provisions of sub-paragraphs (a), (b) and (c) of this paragraph 11 are not intended to apply to any class of picture for which preparation time is elsewhere in this Article VI waived, or for which a lesser period for preparation is elsewhere in this Article VI provided.

To be waived by Director in certain emergencies. Otherwise Guild waiver to be obtained. Not applicable where no preparation time is allowed.

(d) Preparation time is to be waived in case of emergency, it being understood that the necessity of change, substitution or partial substitution of the director where the producer is incurring substantial expense for the salary of cast actually assigned to the picture involved, or where photographing has started or where such substantial expense will be incurred within the periods above provided, shall be deemed an emergency, and the director must waive. Under any other circumstances, the director may waive preparation time only after the Guild has in writing consented to such waiver. The foregoing provisions of this sub-paragraph (d) shall, of course, be inapplicable where no allowance of time or compensation is required hereunder for preparation, as is the case with respect to the class of pictures referred to in paragraphs 1, 2, and 4 of this Section A.

Freelance Directors entitled to salary for preparation if earning less than $750 per week.

(e) All free lance directors employed at a weekly salary of $750.00 or less shall be entitled to full salary during preparation time, if preparation time is required hereunder in connection with the class of picture the director is employed to direct. The question of compensation for preparation time, if any, to be paid to all other directors is a matter of individual negotiation.

12. FLAT DEAL CONTRACTS

No flat deal contract for less than $1500 with 4½ weeks' work allowance.

(a) No free lance director shall be employed on the basis of a flat deal price per picture, or under a "flat deal contract", as the same is understood in the industry, for a sum less than $1500.00, and no such $1500.00 minimum flat deal contract shall require any free lance director so employed to render his services thereunder for a period longer than four and one-half (4½) weeks from the date designated by the producer for the commencement of his services thereunder, without the payment by the producer to the director of additional compensation as in the following sub-paragraph (b) provided.

Minimum of $333.33 per week to be paid for all excess time.

(b) If the services of a director employed under a flat deal contract for the aforesaid $1500.00 flat deal minimum compensation shall be used by the producer for a period of time in excess of four and one-half (4½) weeks, the producer shall compensate the director for such excess time on the following basis: the sum of $333.33 for each week of such excess time, and/or for any period of less than a week, on a daily basis equal to one-sixth (1/6th) of such weekly rate.

Director cannot earn less than $333.33 for all time employed on flat deal contract.

(c) If any flat deal contract shall be entered into by a producer and a director for a flat price per picture in excess of the $1500.00 minimum, and if the director shall render services thereunder for a period of time in excess of four and one-half (4½) weeks, then compensation, if any, for such excess time shall be on such basis as the producer and director may agree as the result of individual negotiations, except

that the compensation payable to any such flat deal director shall in no event average less than at the rate of $333.33 weekly for all time actually worked during the engagement. By way of illustration:

Director's minimum compensation on flat deal contract of $2000.

*Example No. 1:* Assume a director is employed to direct a picture under a flat deal contract for the sum of $2000.00, with no agreement for the payment of compensation for services rendered beyond the aforesaid four and one-half (4½) week period; assume the director renders his services thereunder for a total period of eight weeks; 8 weeks at the minimum weekly rate of $333.33 (disregarding, for the purpose of this illustration, fractional parts of one cent), amounts to $2666.64; from this sum of $2666.64 deduct the flat deal price of $2000.00, leaving the sum of $666.64 additional compensation payable to the director under the statement of facts above assumed.

Director's minimum compensation on flat deal contract for $2500.

*Example No. 2:* Assume the existence of the statement of facts shown in Example No. 1 above, substituting the sum of $2500.00 as the flat deal price, and seven and one-half (7½) weeks as the total period during which the flat deal director renders his services; 7½ weeks at $333.33 per week (disregarding, for the purpose of this illustration, fractional parts of one cent) amounts to $2500.00. This sum, being the flat deal price, with no agreement for the payment of compensation beyond the four and one-half (4½) week period, would constitute payment in full for such 7½ weeks' service.

Clarification of preparation and cutting time in previous paragraphs.

(d) If the flat deal contract covers a picture of the respective classes referred to in paragraphs 1, 2, and 4 of this Section A, said four and one-half (4½) week period shall not include either preparation or cutting time or compensation therefor. If the flat deal contract covers a picture of the respective classes referred to in paragraphs 3 and 5 of this Section A, said four and one-half (4½) week flat deal period shall include an allowance of such time for either preparation or cutting, or both, as is provided for in said paragraphs 3 and 5.

TERM CONTRACTS

## 13. Directors Under Term Contract

Each producer agrees that the following provisions shall govern the minimum salary of directors under term contracts:

(a) The weekly minimum salary for directors under term contract shall be $250.00; provided, however, that the weekly minimum salary for directors under term contract for the direction of serials shall be $200.00.

Term Contract defined as not less than 13 weeks with or without layoffs.

(b) The words "term contract" as herein used, shall be deemed to mean a contract for the employment of a motion picture director for a basic or original term of not less than thirteen (13) weeks, with or without layoffs. If any such term contract shall include one or more optional periods of employment, no such optional period shall be for less than twenty-six (26) weeks, with or without layoffs.

On basis of 40 weeks a year, 10 weeks' salary is considered as obligation of producer on contract term of 13 weeks.

(c) Any term contract as defined in sub-paragraph (b) of this paragraph 13, shall provide for payment of salary to any director under term contract in such an amount as will aggregate not less than ten times the applicable minimum weekly salary in said sub-paragraph (a) specified (to-wit, an aggregate of $2500.00 or $2000.00, as the case may be) for a thirteen (13) week basic or original term, or proportionate payment for any basic or original term in excess of thirteen (13) weeks, and, similarly, proportionate payment for optional periods as specified in sub-paragraph (b) of this paragraph 13. The provisions of this sub-paragraph (c) with reference to the obligation of the producer to provide for payment of salary in the aggregate amounts in this sub-paragraph specified, shall, of course, be subject to any and all rights of suspension and/or termination which the producer may have by contract or otherwise in the event of any incapacity or default of the director, or in case of any interference, suspension or postponement of production by reason of strikes, acts of God, governmental action, orders or decrees, casualties, or any other causes provided for in the so-called "force majeure" clause of such director's contract of employment. The obligation of the producer, upon entering into a term contract for

the employment of a minimum salary term contract director, to provide for payment of salary in the aggregate amounts referred to in this sub-paragraph (c), shall be wholly satisfied by the payment of the applicable minimum salary specified in sub-paragraph (a) above, for the applicable minimum periods, subject, of course, to the provisions of the preceding sentence hereof.

CUTTING

SECTION B:

Director to have right to be consulted in cutting

1. The producer agrees that each current director shall be allowed to express his opinion and to be consulted concerning the cutting of each feature, western, and serial picture directed by him. To achieve this end, the following procedure will be carried out:

and make changes in sequences

but not delay orderly process of cutting.

Director shall be invited to collaborate with producer on first rough cut.

(a) The director shall be permitted to view the rushes but at such time as not to interfere with photographing. He shall be permitted to see the cut sequences in like manner as soon as such sequences are finished. He shall be allowed to make changes in such cut sequences, without major elimination of scenes or dialogue, provided there is no material delay in the orderly progress of the cutting. Before the producer changes or re-edits one or more of these individual sequences, the director shall have the option of either promptly showing or explaining these sequences as cut by him to the producer charged with the responsibility for the editing of the picture. When the first rough cut of the completed picture is made, the director shall be notified and shall be invited by such producer to view the first rough cut and discuss with him any changes the director may deem necessary for the best interests of the picture. Such producer shall give the director's suggestions respectful and sympathetic consideration.

Certain freelance Directors to receive compensation for cutting time.

(b) Except as provided in paragraphs 1, 2, 3, and 4 of Section A of this Article VI, every free lance director who receives a salary of $750.00 per week or less, and who is closed on completion of photographing, unless he refuses to view the first rough cut promptly, will be entitled to three (3) days' pay after his engagement is closed if the picture he worked on cost $200,000.00 or less, and to six (6) days' pay if the cost is in excess of $200,000.00. Unless the first rough cut is ready for viewing by such director within three (3) days, in the case of a picture costing $200,000.00 or less, or six (6) days if in excess of $200,000.00, such director, nevertheless, shall be entitled to additional compensation as aforesaid, but nothing herein contained shall be construed so as to deprive such director of his right, if he so elects, to view the first rough cut and to discuss changes with the producer in the manner hereinabove provided. Nothing in this paragraph 1 (b) of this Section B shall be construed to give cutting time or compensation therefor contrary to paragraphs 1, 2, 3, and 4 of Section A of this Article VI.

Company's decision final on cutting.

(c) The company's decision as to all cutting shall always be final and nothing herein contained shall be so construed as to prohibit the making of such changes as the company may deem fit.

Only in bona fide emergency is Director to waive cutting rights.

(d) It is understood that in the case of a bona fide emergency, the director shall agree to waive such provisions of this clause as might tend to cause delay, but no free lance director, if entitled to the benefits of this Section B, may be required to waive its provisions except in the case of such emergency.

CASTING

SECTION C:

Director to be consulted as to cast.

The director is to be consulted concerning the employment of the principal members of the cast before assignments are made, provided, however, that where the cast or part of the cast has been engaged before the director is employed or assigned to the picture, it will be deemed compliance with this paragraph if the director is fully advised as to the personnel of the cast who have actually been employed before the director's employment, and, provided, the director is consulted before any further assignments are made. It is understood that the producers' decision as to the cast is to be final.

SECOND UNITS

Company Director to be afforded opportunity to advise Director of second units.

SECTION D:

In the event that a second unit is used on the picture, the director is to be informed and the first director, if available, afforded an opportunity to consult with and give advice to the second director, provided, however, it is understood that the producer's decision concerning the work of the second unit is to be final.

SCREEN CREDITS

Given on all advertising

SECTION E:

1. Each producer signatory agrees that credit shall be given for direction on all twenty-four sheets, billboard and tradepaper advertising issued by the producer for use in the continental United States and prepared subsequent to the final determination of direction credit in the manner herein provided for. The foregoing shall not apply:

except group (more than 15 pictures)

(a) To group advertising, provided more than fifteen photoplays are advertised in the group.

or teaser campaigns.

(b) On teaser campaigns.

The location of the credit and the size of type used shall be discretionary with the producer.

Director to have last credit card on screen.

2. The director shall be given credit on all positive prints on a separate title card which shall be the last title card (except where existing contracts conflict with such obligation or where the Guild issues a waiver).

If two Directors on one picture, both given credit or

Guild to settle dispute as to credit.

But must honor Producer's contracts.

If Guild delays, Producer's decision final.

3. Should more than one director do substantial work on a picture, all such directors (other than directors of second units) shall be notified in writing as to the directorial credit intended to be given. Should any such director be dissatisfied with such determination, he may immediately appeal to the Guild and notify the producer in writing that he is doing so. The Guild may then determine the issue, and in so doing must take into consideration then existing contract obligations, and shall issue a waiver to permit producer to carry out such contract obligations. Except as herein provided, the producer agrees to be bound by such determination as to credits. If the Guild should fail to reach a decision and notify the producer within seven days after the above notification by the director, the producer shall determine the issue and its determination shall be final. In the event that the Guild's determination as to credit is given at too late a date to permit the giving of screen or advertising credit as indicated by the Guild, then credit shall be given in such manner as may have been designated by the producer, but appropriate credit shall be given in any bulletin to be issued by the Guild or in such other bulletin as may be mutually agreed upon. In no event shall a producer be obligated to delay the preparation or issuance of advertising matter or the release of any photoplay pending proceedings for the determination of credits.

## AGREEMENT NOT APPLICABLE TO INITIAL EMPLOYMENT AS A MOTION PICTURE DIRECTOR

New Director permitted to direct first picture at nominal salary but if given directorial assignment thereafter shall be entitled to benefits of the SDG Basic Agreement.

1. If any person not theretofore having directed a complete motion picture, shall be employed by any producer for that purpose, such person shall be permitted to direct his first motion picture for such compensation, nominal or otherwise, as may be agreed upon between any producer and any such person, and the provisions of this agreement shall have no application to any such employment. If, having directed one complete motion picture, such person is thereafter employed as a motion picture director, he shall be entitled to the benefits of the provisions of the Producer-Screen Directors Guild Basic Agreement of 1939 and amendments thereto and modifications thereof. Previous experience in the direction of "second units" by any person employed to direct his first motion picture shall not be deemed, nor considered the equivalent of the direction of a "complete motion picture" as hereinabove in this paragraph 1 referred to.

# AMENDMENT OF 1944

*AGREEMENT* executed at Los Angeles, California, as of the 15th day of February, 1945, between SCREEN DIRECTORS' GUILD, INC., a California non-profit membership corporation, hereinafter called the "Guild", and severally TWENTIETH CENTURY-FOX FILM CORPORATION, LOEW'S INCORPORATED, COLUMBIA PICTURES CORPORATION, SAMUEL GOLDWYN INC., LTD., WARNER BROS. PICTURES, INC., PARAMOUNT PICTURES, INC., RKO-RADIO PICTURES, INC., UNIVERSAL PICTURES COMPANY, INC., REPUBLIC PICTURES CORPORATION OF CALIFORNIA, and such other parties engaged in the production of motion pictures as may hereafter severally become signatories hereto, each hereinafter sometimes referred to as the "producer" or the "producers", and sometimes as "company" or companies,

WITNESSETH:

In consideration of the mutual agreements herein contained, the parties agree as follows:

*TWO.* Article VII of the Producer-Screen Directors Guild Basic Agreement of 1939 (hereinafter referred to as the "Basic Agreement"), commencing with the title "Wages and Working Conditions of First Assistant Directors", and including all sections and paragraphs thereof, shall be and the same hereby is deleted from said Basic Agreement, and in lieu thereof and in substitution therefor the following new Article VII is hereby adopted and incorporated in and made a part of the Basic Agreement of 1939, as modified in 1942:

## ARTICLE VII

WAGES AND WORKING CONDITIONS OF FIRST ASSISTANT DIRECTORS

The following minimum salaries and working conditions are hereby established for First Assistant Directors, effective as of March 13, 1944:

STUDIO MINIMUM WAGE SCALE

SECTION A:

1.

| "DD" Screen Directors' Guild | | Studio Rates | |
|---|---|---|---|
| | | Schedule A | Schedule B |
| No. | Classification | Daily "On Call" | Weekly "On Call" |
| | | Per Day | Per Week |
| DD-11 | Free Lance 1st Asst. Director | 37.60 | 188.00 |
| DD-12 | Contract 1st Asst. Director | | 170.00 |
| DD-13 | Shorts 1st Asst. Director* | 25.50 | 127.50 |

Short Subject Rates apply only to one year.

*The "Shorts" rate for First Assistant Directors shall apply only to the first year of such employment, which shall be considered the "proving ground" year. For this purpose one year shall be deemed to mean a total of 240 days of actual employment on shorts, or the lapse of one calendar year, whichever is the longer period of time. After such year of employment First Assistant Directors (DD-13) will be classified as DD-11 or DD-12, regardless of the type of production to which they may be assigned. For determining the appropriate classification of the presently employed First Assistant Directors, all previous employment on short subjects will be credited.

All previous work on short subjects shall receive credit.

CLASSIFICATION AND WAGE SCHEDULE

2. Each employee shall be notified at the time of his employment under which classification and wage schedule he is employed. He shall also be notified before any change of classification or wage schedule is effective and such changes shall not be retroactive.

PAYROLL WEEK

3. The payroll week shall be the established payroll week of the Producer, consisting of 7 consecutive calendar days.

STUDIO WAGE SCHEDULES

4. (a) Schedule A (Daily) employees shall be paid on a daily basis.

(b) Schedule B (Weekly) employees shall be paid on the scheduled weekly basis for all full payroll weeks of studio employment, and on the fractional weekly basis (paragraph 5) for other days of studio employment, except on Day of Return.

STUDIO MINIMUM GUARANTEES

5. (a) Schedule A (Daily) employees: 1 day's work or pay.

(b) Schedule B (Weekly) employees: 7 consecutive days (including Sundays) as follows:

| Full Payroll Weeks Studio Employment | Fractional Payroll Weeks Studio Employment (Except on Day of Return) | |
|---|---|---|
| | Week Days (including Holidays not worked) | Sundays and Holidays worked |
| Schedule B rate per week | 1/6 of Schedule B rate per day | No extra allowance |

6. *Distant Location Minimum Wage Scales—*

$4.00 daily allowance on distant locations.

(a) Schedules A and B (Daily and Weekly) employees shall receive in addition to their current studio rate, a distant location allowance of four (4) dollars per diem.

(b) The day of departure shall be considered as a Studio day, and the day of return as a distant location day.

SECTION B: GENERAL CLAUSES

First assistant cannot be reemployed by former employer at less than salary established at that studio.

7. The foregoing minimum salaries of all first assistant directors at each studio will be recognized by all studios and appropriate machinery will be set up providing for such recognition, it being understood that if the employment of any first assistant director terminates for any reason whatsoever, such first assistant thereafter may not be employed as a first assistant director by the former employing studio at less than his established salary at such studio, but his salary if employed at any other studio shall be the matter of individual negotiation, subject to this agreement as to minimums. Nothing in this provision shall prevent first assistants from accepting employment as second assistants, or in other capacities, at prevailing rates of such other classificatons.

First assistant can accept employment as second assistant or in other capacity.

8. All contracts for first assistant directors will be for a minimum of forty-six (46) weeks of the year.

SEVERANCE PAY

9. All free lance first assistant directors will receive severance pay of one (1) week's salary if employed more than two (2) consecutive weeks, and of three (3) days if employed for two (2) weeks or under, except in the case of those employed on a daily basis for less than one (1) week. If after completion of an assignment the first assistant is carried on his salary, no severance pay accrues until the completion of the final assignment and then only for the one (1) week or three (3) days, as the case may be.

No layoff for contract first assistant.

10. It is understood that there will be no lay-off for a contract assistant director for less than one (1) week at a time.

11. There shall be no weather permitting calls.

First assistant must be employed on all pictures, and on second units with accredited Director.

Second assistant assigned if unit has other than accredited Director.

No second assistant necessary under certain conditions.

12. A first assistant shall be employed on each feature picture western, serial and short. In the case of second units where a second accredited director is assigned to the same, a first assistant must be assigned to such second unit, or, if a second assistant is used instead of a first assistant he shall receive the pay of a first assistant in connection with such assignment. If a first assistant or anyone other than an accredited director is assigned to direct the second unit, then a second assistant (or, at the option of the producer, a first assistant) must be assigned, provided, however, that if a cameraman is assigned to photograph scenes alone, or with crew but without members of the cast, no first or second assistant director need be assigned.

Reporting of accidents.

13. The nature and place of hospitalization of all accident cases requiring hospitalization shall be reported to the Guild as soon as practicable after the accident.

Employees in Armed Services.

14. Recognizing the moral and legal responsibility to the men and women who have entered the Armed Services, the Producer and the Guild agree that they have a joint responsibility (subject to the then existing statutes) in the re-instatement of Guild members to the jobs such members held prior to their entry into the Armed Services.

The Producer and the Guild agree that employees temporarily holding such jobs will be displaced by returning Guild members.

VACATIONS

15. Vacations with pay will be allowed according to the following plan:

| Days Worked in Preceding Year | Days of Vacation with Pay in Succeeding Year |
|---|---|
| Over 240 | 12 |
| Between 221 and 240 | 11 |
| Between 201 and 220 | 10 |
| Between 181 and 200 | 9 |
| Between 161 and 180 | 8 |
| Between 141 and 160 | 7 |
| Between 121 and 140 | 6 |
| Between 101 and 120 | 5 |
| Between 81 and 100 | 4 |
| Between 61 and 80 | 3 |
| Between 41 and 60 | 2 |
| Between 21 and 40 | 1 |
| 20 and under | 0 |

Each Producer will accumulate separately the days worked during the calendar year 1944 to determine the number of vacation days with pay for the calendar year 1945, etc.

The amount of pay allowed per vacation day will be as follows:

(a) Daily Employees: 1 day = pay of daily guarantee.

(b) Weekly Employees: 1 day = pay of 1/6th of pay of weekly guarantee.

When a Sunday occurs during the vacation period, such Sunday shall not be considered as a vacation day.

*THREE.* Article VIII of the Producer-Screen Directors Guild Basic Agreement of 1939 (hereinafter referred to as the "Basic Agreement"), commencing with the title "Wages and Working Conditions of Second Assistant Directors", and including all sections and paragraphs thereof, shall be and the same hereby is deleted from said Basic Agreement, and in lieu thereof and in substitution therefor the following new Article VIII is hereby adopted and made a part of the Basic Agreement of 1939:

## ARTICLE VIII

### Wages and Working Conditions of Second Assistant Directors

The following minimum salaries and working conditions are hereby established for Second Assistant Directors, effective as of May 24, 1944:

A.

STUDIO MINIMUM WAGE SCALE

1.

| No. | Classification | Studio Rates | |
|---|---|---|---|
| | | Schedule A | Schedule B |
| | | Daily 10 hours<br>1½ after 6 hours<br>Min. call 10 hours | Weekly guar. 60 cum. hrs.<br>6 or 7 day week**<br>1½ after 40 hours<br>Min. call 8 hours |
| | | Per Hour | Per Hour |
| DD-1 | 2nd Asst. Dir.—1st yr. in Industry* | 1.10 | 1.00 |
| DD-2 | 2nd Asst. Dir.—2nd yr. in Industry* | 1.21 | 1.10 |
| DD-3 | 2nd Asst. Dir.—3rd yr. in Industry* | 1.32 | 1.20 |
| DD-4 | 2nd Asst. Dir.—4th yr. in Industry* | 1.43 | 1.30 |
| DD-5 | 2nd Asst. Dir.—5th yr. in Industry and thereafter* | 1.54 | 1.40 |

Guild will certify appropriate classification of second assistants.

*For determining the appropriate classification of the presently employed second assistant directors, each such employee's previous experience as a second assistant director in the Motion Picture Industry not to exceed three years, will be certified by the Guild. For this purpose one year shall be deemed to mean a total of 240 days of actual employment as a second assistant director, or the lapse of one calendar year, whichever is the longer period of time.

**See provisions under Sundays (paragraph 8).

Classification at time of employment.

2. Each employee shall be notified at the time of his employment under which classification and wage schedule he is employed. He shall also be notified before any change of classification or wage schedule is effective and such changes shall not be retroactive.

Payroll week.

3. The payroll week shall be the established payroll week of the Producer, consisting of 7 consecutive calendar days.

Studio Wage Schedules.

4. (a) Schedule A (Daily) employees shall be paid on a daily basis.

(b) Schedule B (Weekly) employees shall be paid on the scheduled weekly basis for all full payroll weeks of studio employment, and on the fractional weekly basis (paragraph 5) for other days of studio employment.

Minimum guarantee in studio.

5. (No work time is allowed for Sundays not worked)—

(a) Schedule A (Daily) employees: 10 hours' work or pay at Schedule A rates, 1½ after 6 hours.

(b) Schedule B (Weekly) employees: 7 consecutive days (including Sundays) as follows:

| Full Payroll Weeks Studio Employment | Fractional Payroll Weeks Studio Employment | |
|---|---|---|
| | Week Days (including Holidays not worked) | Sundays and Holidays Worked |
| 60 cumulative hours at Schedule B rate with a minimum call of 8 hours on all days, excepting Sundays whether worked or not | 10 hours per day at Schedule B rate 1½ after 6 hours | Double Schedule B rate, minimum call 10 hours |

STUDIO WORKING CONDITIONS

B. STUDIO WORKING CONDITIONS
(Except where otherwise provided)

6. *No Clause.*

OVERTIME

7. (a) All time and one-half, double time and golden hours pay are paid as overtime compensation and shall not be compounded.

(b) Daily overtime shall be computed on Work Time only, and on the rate in effect when the overtime occurs.

(c) Weekly overtime shall be computed on Work Time only and at the mean hourly rate.

SUNDAYS

Double time for work time on Sundays

8. (a) Work Time on Sundays (from midnight Saturday to midnight Sunday) shall be paid for at double the scheduled hourly rate. Minimum calls as scheduled in paragraph 1.

but shall apply as pay for such hours only.

(b) When a Schedule B (Weekly) employee reports on Sundays for work on a unit actually "shooting," hours worked on Sundays shall not be computed as part of the guaranteed week, and compensation for Sunday hours shall be applied as pay for such hours only.

Time worked on Sunday when not shooting may be applied as straight time for hours guaranteed but not worked.

(c) When a Schedule B (Weekly) employee reports on Sundays for work other than actually "shooting," and exclusive of Sunday such employee works less than the guaranteed hours, any portion of Sunday compensation may be applied as straight time pay for hours guaranteed but not worked.

Where employee works guaranteed hours Sunday time shall apply as pay for such hours only.

(d) Where, exclusive of Sunday, a Schedule B (Weekly) employee works guaranteed hours or more, the hours worked on Sunday shall not be computed as part of the guaranteed week and compensation for Sunday hours shall be applied as pay for such hours only.

HOLIDAYS

If Holiday falls on Sunday, following Monday considered the Holiday.

9. (a) New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day shall be recognized as Holidays. If any of the above Holidays falls on Sunday, the following Monday shall be considered the Holiday.

Double time for work time on Holidays.

(b) Work Time on Holidays shall be paid for at double the scheduled hourly rate. Minimum calls as scheduled in paragraph 1.

One-half of time worked on Holidays may be applied to hours guaranteed but not worked.

(c) Where, exclusive of Holidays, a Schedule B (Weekly) employee works less than the guaranteed hours, not more than one-half of the Holiday compensation may be applied as straight time pay for hours guaranteed, but not worked.

Where employee works guaranteed hours, Holiday time shall apply as pay for such hours only.

(d) Where, exclusive of Holidays, a Schedule B (Weekly) employee works guaranteed hours or more, hours worked on Holidays shall not be computed as part of the guaranteed week and compensation for Holiday hours shall be applied as pay for such hours only.

10. *No Clause.*

GOLDEN HOURS

11.

Time worked in excess of 14 hours paid for at 2½ times appropriate rate.

A. All time worked in excess of 14 consecutive hours (including meal periods) from the time of reporting for work shall be Golden Hours, and shall be paid for at 2½ times the minimum scheduled week-day, Sunday or Holiday rate applicable to the calendar day on which Golden Hours occur.

And continues until employee has had eight hours' rest.

B. Once an employee is on Golden Hours, all work time thereafter (including meal periods, but excluding interruptions as defined below) shall be paid for at the applicable Golden Hour rate until he shall have received a rest period of not less than 8 consecutive hours.

C. To determine (a) when Golden Hours begin, or (b) the number of Golden Hours to be paid for once Golden Hours have begun, the following provisions shall apply:

| When Intervening Time Between Dismissal and Call Back to Work Is Less Than 4 Hours | When Intervening Time Between Dismissal and Call Back to Work Is Between 4 and 8 Hours | When Intervening Time Between Dismissal and Call Back to Work Is 8 or More Hours |
|---|---|---|
| (Work Time) | (Interruption) | (Full Rest Period) |
| Intervening Time is computed as work time and added to previous and subsequent work time | Intervening Time is not computed as work time, but previous and subsequent work time are added together to determine (a) and (b) above | Intervening Time breaks accumulation of hours toward the 14-hour point, and stops Golden Hours if once begun |

Travel Time and Golden Hours.

D. Travel Time shall be used in the computation of Golden Hours as follows:

(a) If Travel Time, with other than Truck Transportation added to recesses (if any) immediately before and after such travel, totals less than 8 hours, such interval shall be considered as "Interruption," but

(b) If such interval equals 8 or more hours, it shall be considered a "Full Rest Period."

(c) Travel Time, with Truck Transportation shall be considered work time.

Golden Hours may be applied as straight time for hours guaranteed on Minimum Call.

E. Compensation for Golden Hours shall be used only to pay for Golden Hours and shall supersede and replace any other compensation for work time during Golden Hours, but when Golden Hours are in effect at the time of reporting to work, and such call to work on that day is subject to a "Minimum Call" or "Daily Guarantee," there shall be no compounding of pay computation and any portion of such Golden Hour compensation may be applied as straight time pay for the hours guaranteed by the "Minimum Call" or the "Daily Guarantee."

12. *No Clause.*

13. *No Clause.*

Layoff Provisions.

14. A Schedule A (Daily) employee not personally notified of his discharge at the end of his shift, who reports for work at his next regular shift, shall be considered as having been called for a minimum call.

Cancellation and Change of Calls.

15. (a) Morning calls for any day for Schedule A (Daily) employees, and for Sundays *only* for Schedule B (Weekly) employees, may be cancelled prior to 8:30 p.m. the night before.

(b) Other than morning calls for any day for Schedule A (Daily) employees and for Sundays *only* for Schedule B (Weekly) employees may be cancelled with 6 hours' notice.

C. Calls for *all* employees on all days may be changed if employee is notified within 6 hours after time of dismissal.

16. *No Clause.*

Weather Permitting Calls.

17. Schedule A (Daily) employees responding to "weather permitting" calls, shall be allowed one-half the scheduled minimum call if not required to work.

Stand-by Calls.

18. There shall be no stand-by calls.

19. *No Clause.*

20. *No Clause.*

C. Studio Zone Definitions and Working Conditions

Studio Zone defined.

21. The Studio Zone shall be the area within a circle 6 miles in radius from 5th and Rossmore Streets, Los Angeles, California. The Columbia Ranch in Burbank, California, and the Republic Studio in North Hollywood, California, shall be considered as within the Studio Zone.

Work shall begin and end at studio except when newly called employees have been notified to report to Zone location.

22. Studio Rates and Working Conditions shall prevail for all work performed within the Studio Zone. If required by the Producer, work time shall begin and end at the Zone location for newly called employees and for those employees so notified on the previous day prior to their departure from the Studio; otherwise work time shall begin and end at the Studio, such work time to include travel time both ways between the Studio and the Zone location.

Studio shall furnish transportation or allow mileage.

23. When the Zone location cannot be reached by common carrier, the Studio shall furnish transportation or allow mileage of 10c per man per mile computed to and from the Studio and Zone location.

Producer shall furnish transportation when operating at more than one location.

When the Producer operates more than one Studio or ranch within the Studio Zone, and the employee works at more than one of such places during the same day, the Studio shall furnish transportation to and from such places and the place of first reporting to work; however, if the employee first reports to work at a ranch within the Studio Zone, the Studio shall furnish transportation to and from points of access to common carriers.

Travel time shall be considered as work time.

24. Travel Time to and from Studio Ranches shall be considered work time. When employee furnishes transportation the travel time allowed each way as work time shall be .5 hour for RKO Ranch, .7 hour for Warner Bros. Ranch, and 1 hour for Paramount Ranch.

D. Nearby Location Definitions and Working Conditions

Nearby locations defined.

25. Nearby locations are those locations outside of the Studio Zone on which employees are not lodged overnight but return to the Studio or home at the end of the work day.

Studio Rates and Working Conditions shall apply to nearby locations.

26. The Studio rates and working conditions shall prevail on nearby locations. Work time shall begin when ordered to report at the Studio and continue until dismissed at the Studio. Travel time to and from the location shall be considered work time.

27. *Transportation*—The Studio shall furnish transportation to and from nearby locations.

28. *No Clause.*

29. *No Clause.*

30. *No Clause.*

E. DISTANT LOCATION MINIMUM WAGE SCALE

31.

| No. | Classification | Distant Location Rates | |
|---|---|---|---|
| | | Schedule C | Schedule CC |
| | | Weekly 72 cum. hrs. 7 day week 1½ between 40 and 72 | Overtime rate after 72 cum. hrs. during full payroll week |
| | | Per Hour | Per Hour |
| DD-1 | | .95 | 1.75 |
| DD-2 | | 1.05 | 1.93 |
| DD-3 | | 1.15 | 2.10 |
| DD-4 | | 1.24 | 2.28 |
| DD-5 | | 1.34 | 2.45 |

32. *Distant Location Wage Schedules—*

(a) Schedule A (Daily) employees shall be paid on the Schedule A rates (paragraph 1) for all days of employment on Distant Location.

(b) Schedule B (Weekly' employees shall be paid on the Schedule C basis for all full payroll weeks of employment on Distant Location and on the scheduled fractional weekly basis (paragraph 33) for other days of employment on Distant Location, except on Day of Departure and Day of Return.

33. *Minimum Guarantees on Distant Location—*

(a) Schedule A (Daily) employees: 10 hours per day at Schedule A rates, time and one-half after 6 hours.

(b) Schedule B (Weekly) employees:

| Full Payroll Weeks Distant Location Employment | Fractional Payroll Weeks Distant Location Employment (Except on Day of Departure and Day of Return) | | |
|---|---|---|---|
| 72 cumulative hours at Schedule C rate with a minimum call of 8 hours on all days whether worked or not<br><br>(Sundays and Holidays worked, see paragraphs 42 and 43) | Daily Guarantee (including Sundays and Holidays not worked) | Sundays Worked | Holidays Worked |
| | 11 hours per day at Schedule C rate, 1½ after 6 hours | 11 hours at Schedule C rate 1½ after 6 plus allowance of ½ time of hours worked (Min. allowance 5½ hours) | Double Schedule C rate, min. call 11 hours |

Employment in Studio and on Distant Location in same Payroll Week.

34. Studio B (Weekly) employees shall be paid on the scheduled Studio fractional weekly basis (paragraph 5) for those days employed in the Studio and on the scheduled Distant Location fractional weekly basis (paragraph 33) for those days employed on Distant Location (subject to provisions in paragraphs 47, 48 and 49).

35. *No Clause.*

F. DISTANT LOCATION WORKING CONDITIONS

Distant Locations are where assistant is lodged overnight.

36. Distant Locations are locations on which the employee is required to remain away, and be lodged overnight.

His meals, lodging, travelling expense shall be paid by Producer.

37. The employee's necessary traveling expenses, meals, and lodging shall be made available at the Producer's expense. The Producer shall furnish first class transportation to and from Distant Location with necessary sleeping accommodations. If first class transportation and accommodations are not available for reasons beyond the Producer's control, the Producer shall furnish the next best available class, and promptly notify the Guild what arrangements have been made.

Travel time begins when employee reports and ends when he reaches destination.

38. Travel Time is the time consumed in transporting employee to and from the Studio or place of reporting and the Distant Location or between Bases on Distant Location. Travel Time begins when the employee reports for travel pursuant to instructions, and ends when the employee arrives at destination.

39. *Travel Time* will be paid for as follows:

| Class of Transportation | Day Travel Time Between 6 a.m. and 6 p.m. | Night Travel Time Between 6 p.m. and 6 a.m. |
|---|---|---|
| Train, Plane or Sleeper Bus | As Work Time (maximum as provided in paragraph 47-d) | No Allowance |
| Passenger Auto or Bus | | Straight Time Allowance |
| Truck | As Work Time | As Work Time |

40. *Local Transportation Time—*

Local Transportation Time is the actual time consumed at the beginning and ending of each day's work in transporting the employee to and from the housing base at Distant Location and the shooting site or place of work.

Not more than one hour per day shall be deducted.

41. *No Clause.*

SUNDAYS ON DISTANT LOCATION
For Sundays not worked employee shall receive daily guarantee.

For Sundays worked second assistant shall receive time and a half.

42. (a) An employee *not* required to work on Sunday shall receive the scheduled minimum call (or daily guarantee) as work time.

(b) An employee required to work on Sunday shall receive in addition to the above, a Sunday Work Time allowance equal to ½ time of hours worked. Minimum allowance in hours ½ minimum call or daily guarantee. Such allowance shall be separate and apart and shall not be used to fulfill either daily or weekly guarantees.

(c) Travel Time on Sundays shall be computed the same as on week days.

HOLIDAYS ON DISTANT LOCATION
For Holidays not worked employee shall receive daily guarantee.

For Holidays worked employee shall receive double time.

43. (a) An employee *not* required to work on Holidays shall receive the scheduled minimum call (or daily guarantee) as work time.

(b) Work time on Holidays shall be paid for at double the scheduled hourly rate. Minimum calls as scheduled in paragraph 33.

If employee has worked less than guaranteed hours, Holiday pay may be applied as straight time for hours guaranteed but not worked.

(c) Where, exclusive of Holidays, an employee on full payroll weeks, works less than the guaranteed hours, any portion of the Holiday compensation may be applied as straight time pay for hours guaranteed but not worked.

If employee has worked guaranteed hours, then Holiday time shall be paid for such hours only.

(d) Where, exclusive of Holidays, an employee on full payroll weeks works guaranteed hours or more, hours worked on Holidays shall not be computed as part of the guaranteed weeks and compensation for Holiday hours shall be applied as pay for such hours only.

(e) Travel Time on Holidays shall be computed the same as on week days.

GOLDEN HOURS on Distant Locations shall apply after 16 hours.

44. The Studio Working Conditions pertaining to Golden Hours shall apply, except the "14 consecutive hours" shall be "16 consecutive hours."

45. *No Clause.*

46. *No Clause.*

47. *Methods of Computation for Day of Departure, Subsequent Days, and Day of Return—*

(a) Each day's computation is from midnight to midnight.

(b) Work Time in studio is computed at studio "Week Day" rates on day of departure and day of return, unless such days are Sundays or holidays. On Sundays and holidays the actual studio work time will be computed at double the scheduled studio "Week Day" rates.

(c) *Distant Location Rates* are effective from the expiration of the studio minimum call or the completion of studio work time, whichever is the later, on day of departure until the hour of return on day of return.

(d) *Day Travel Time* is work time, but limited to 8 hours per day. Day travel time is computed at distant location rates except when used to complete the hours of the studio minimum call on day of departure. Such hours used are computed at studio "Week Day" rates.

(e) *Night Travel Time* is an allowance, and when paid for as an allowance is not considered work time. Night travel time is computed at distant location rates except when used to complete the hours of the studio minimum call on day of departure. Such hours used are computed at studio "Week Day" rates.

(f) Daily Overtime is computed on work time only and at the rate in effect when the overtime occurs.

(g) Weekly Overtime is computed on work time only and as per schedules under "Distant Location Rates."

(h) *Full Payroll Week* basis is used only when there is *no studio work time* during the full payroll week. If there is *studio work time* during the full payroll week, the entire payroll week is computed on the fractional basis (7 fractional) days.

48. *Minimum Guarantees per Day on Distant Location.*

| | Fractional Week Basis | Full Payroll Week Basis |
|---|---|---|
| Day of Departure | Hours of Studio Min. Call at Studio "Week Day" Rates | 8 Hours of Work Time (Distant Location Rates) |
| Subsequent Days | Distant Location Daily Guarantee (D. L. Rates) | |
| Day of Return | Pay of Distant Location Daily Guarantee (Rates as Scheduled) | |

| | |
|---|---|
| Travels only by Train | Day Travel Time (47-d) |
| Travels only by Bus | Day Travel Time (47-d) plus Night Travel Time (47-e) |
| Works and Travels by Train | Studio Work Time (47-b) plus Day Travel Time (47-d) plus Distant Location Work Time (47-c) |
| Works and Travels by Bus | Studio Work Time (47-b) plus Day Travel Time (47-d) plus Night Travel Time (47-e) plus Distant Location Work Time (47-c) |
| Works Only | Distant Location Work Time (47-c) |

49. *Items Included in Daily Computation—*

(a) The following items will be totaled for each day's computation on Distant Location:

(b) Pay for the above computation or for the minimum guarantee (paragraph 48) will be made, whichever is the greater.

(c) Any unused portion of pay for minimum guarantees may be applied against pay for Night Travel Allowances.

50. *No Clause.*

G. General Clauses

51. *No Clause.*

52. *No Clause.*

53. Producer will provide suitable wearing apparel for abnormally cold or wet work. 15% bonus for working in temperature 50 or more degrees from normal. (This pertains to work in the ice house.)

54. *Overscale Employees—*

Rates of pay of overscale employees shall not be reduced by reason of this wage agreement; however, the amount of excess shall be applicable to overtime, Holiday time, location computation, and temperature bonus, but not against Sunday Time, Golden Hours or Meal Delay allowances. (See exception, Section 11-E.) All computations to be on minimum rates.

55 to 69 inc. *No Clauses.*

70. *Reporting of Accidents—*

The nature and place of hospitalization of all accident cases requiring hospitalization shall be reported to the Guild as soon as practicable after the accident.

71. *Employees in Armed Services—*

Recognizing the moral and legal responsibility to the men and women who have entered the armed services, the Producer and the Guild agree that they have a joint responsibility (subject to the then existing statutes) in the reinstatement of Guild members to the jobs such members held prior to their entry into the armed services.

The Producer and the Guild agree that employees temporarily holding such jobs, will be displaced by returning Guild members.

72. *Vacations*—Vacations with pay will be allowed according to the following plan:

| Days Worked in Preceding Year | Days of Vacation with Pay in Succeeding Year |
|---|---|
| Over 240 | 12 |
| Between 221 and 240 | 11 |
| Between 201 and 220 | 10 |
| Between 181 and 200 | 9 |
| Between 161 and 180 | 8 |
| Between 141 and 160 | 7 |
| Between 121 and 140 | 6 |
| Between 101 and 120 | 5 |
| Between 81 and 100 | 4 |
| Between 61 and 80 | 3 |
| Between 41 and 60 | 2 |
| Between 21 and 40 | 1 |
| 20 and under | 0 |

Each Producer will accumulate separately the days worked during the calendar year 1944 to determine the number of vacation days with pay for the calendar year 1945, etc.

The amount of pay allowed per vacation day will be as follows:

(a) Daily Employees: 1 day = pay of minimum call.

(b) Weekly Employees: 1 day = pay of 1/6 of pay of weekly guarantee.

When a Sunday occurs during the vacation period, such Sunday shall not be considered as a vacation day.

Producers agree not to stagger employment to avoid overtime.

The producers expressly declare that unless compelled to do so by law they will not stagger the employment of second assistant directors for the purpose of avoiding the payment of overtime, that is to say, if ordinarily an assistant director would work approximately sixty hours a week on one picture, it is not the intention to engage such assistant for forty to forty-four hours, using another second assistant for the surplus hours.

## ARTICLE IX

### Miscellaneous Matters

TERM OF AGREEMENT

9 years, but

Section A:

1. The term of this agreement shall be nine years from the effective date hereof, subject, however, to cancellation effective at the end of four years or at any time thereafter as provided in the following Sub-section 2.

may be shortened to 4 years, by following,

2. At any time after three years there may be a cancellation of the agreement upon a one year's notice. Such cancellation may arise as follows:

cancellation procedure, or

Changes in the terms of this agreement, including changed minimum wages and working conditions, may, at the request of the Guild or any producer signatory, be referred at any time to the appropriate Standing Conciliation Committee. If a unanimous agreement is reached by such committee, such changes or revisions will immediately become a part of the Basic Agreement as to the Guild and such party only and be binding on the Guild and such producers as are parties to the conciliation. If, however, revisions proposed have not been agreed upon by conciliation, any aggrieved party may, once every two years, request arbitration. The appropriate Arbitration Committee will make findings, which findings will, however, become a part of the Basic Agreement only if mutually acceptable. If any party to the

proceedings is dissatisfied with the conclusions reached by the Conciliation or Arbitration Committees, such party may, at any time after three years from the effective date of this agreement, terminate this Basic Agreement as between the Guild and such other party by serving one year's notice of cancellation on all parties signatory hereto. Such termination shall not be effective prior to March 13, 1943.

modified by mutual consent.

3. This agreement may be modified at any time and from time to time by mutual agreement of the Guild and the producers.

Effective date.

4. This agreement and all provisions hereof are to be effective as of March 13, 1939.

No strikes.

SECTION B:

The Guild agrees that during the term hereof, it will not call or engage in or assist a strike affecting motion picture production against any producer signatory, and will order its members to perform their contracts with the producers signatory hereto. The Guild and the producers mutually agree that during the term of this agreement they will endeavor to promote goodwill, mutual understanding and real cooperation between members of the Guild and the producers.

Guild retains right to discipline its members.

SECTION C:

Subject to the limitations hereinabove in Article II, Section B, Sub-sections 2 and 3 set forth, nothing shall be so construed as to prohibit the Guild from disciplining its members under rules and regulations to be established by it, but the imposition by the Guild of such discipline shall not deprive the producer of any rights under this agreement.

Guild agrees to make by-laws, carry out this agreement, and

SECTION D:

1. The Guild will take proper steps to provide that its By-laws carry this agreement into effect, and during the term of this agreement, it will not adopt any amendments to its Articles or By-laws or adopt any rules or orders which will be in conflict with this agreement.

provide that its members be bound.

2. The Guild will cause its By-laws to provide that each of its members shall be bound by the provisions of this agreement.

Effect of defaults.

SECTION E:

It is expressly agreed that no default or breach of this agreement by any producer shall constitute a default or breach or impose liability on any other producer and it is further expressly agreed that a default of the Guild as to one producer shall not constitute a default of the Guild as to any other producer. Termination of the agreement as to any producer shall not affect the agreement as to other producers.

All committee hearings to be private.

SECTION F:

All hearings and deliberations of the Standing Conciliation Committee and those of the Arbitration Committee shall be closed to the public. Only members of the Guild, and producers and their authorized representatives, or witnesses called by the committees, may attend. All written communications to and from the committees shall be privileged.

Terms used in ordinary sense.

SECTION G:

1. All terms are used in the ordinary accepted sense in the industry.

"Shorts."

2. "Shorts" for the purpose of the Basic Agreement are defined as any picture which when released is thirty-six hundred lineal feet or less in length other than pictures known as newsreels, travelogues or news and sports commentations if such pictures are originally made and originally distributed as such.

"Good standing."

3. Members of the Guild in good standing are defined as members who have not been suspended or expelled from the Guild or who have not resigned from the Guild.

"Year."

4. The word "year" shall be deemed to be from March 13th to the next succeeding March 12th except where the context requires a different construction.

Individual contracts may provide better terms.

SECTION H:

1. Nothing in this agreement shall prevent any person from negotiating with, and obtaining from the producers better conditions and/or terms of employment than those provided for in this agreement. The terms herein provided are minimum, and not maximum. The Guild will not by the adoption of By-laws or otherwise seek to prevent the inclusion in contracts of employment with producers of any terms or conditions not violative of this agreement.

These terms are not maximums.

Individuals' contracts not broken by breach of this agreement.

2. It is agreed that it is the intent of the producers and of the Guild that nothing in this Basic Agreement shall be construed so as to give to any producer or to any individual employee the right to terminate or the right to refuse to perform pursuant to any individual contract, or the right to claim a breach of any individual contract of employment by reason of any breach of any provisions of this Basic Agreement.

Notices.

SECTION I:

Whenever a producer signatory is to be notified, it will be deemed sufficient for the notice to be sent to such producer at the address indicated opposite its signature on this agreement. Notice to the Guild or any member thereof will be deemed sufficient if sent to the Secretary of the Screen Dirctors Guild, Inc., 1508 Cross Roads of the World, Los Angeles 28, California. Any party may change these addresses at any time by sending notice of the change to the other by registered mail.

Cartoons not included.

SECTION J:

Cartoons are not to be included in this

Guild may issue waivers, but employees cannot be asked to waive, and Guild may impose conditions except

SECTION K:

1. No waiver of the minimum terms herein provided (unless specifically authorized by the provisions of this agreement) may be requested of any director or first or second assistant director except through the Guild. The Guild may issue written waivers of any of the terms hereof when it deems such action appropriate, and unless such waivers are issued to cover waivers specifically provided for in this agreement, may impose reasonable conditions.

when waiver is specifically provided for.

2. Whenever any producer is entitled hereunder to a waiver from the Guild, the Guild agrees to issue the same without cost or conditions and to act promptly upon the request for such waiver, and in event that the Guild fails so to do, the producer may proceed as though a waiver had been given.

Agreement may cover new Producers and merged companies.

SECTION L:

1. Any person now or hereafter engaged in the business of producing motion pictures in the United States shall be afforded the opportunity of becoming signatory to this agreement.

2. This agreement shall be binding upon the signatories hereto and all parties who by reason of mergers, consolidations, reorganizations, sale, assignment or the like shall succeed to or become entitled to a substantial part of the production business of any signatory.

If new terms given others they will also be offered to these signatories.

3. The Guild has no present intention of offering different terms or conditions than herein provided to any producer, but it is understood that it has the right to do so and it is agreed that if the Guild grants different terms or conditions to any producer, whether signatory hereto or not, relating to any kind or kinds of production or type or types of services covered herein, then the Guild shall offer like terms and conditions to the signatories hereto with respect to like product or like services.

Contract primarily applies to California as a base, but may be extended by notice

SECTION M:

The provisions of this agreement shall apply in reference to pictures produced with California as a base and to all location work in connection with such pictures and shall apply to pictures made by signatories hereto with other places in the United States as a base when the Guild shall have made proper arrangements to carry on at such places and thirty days after the Guild shall have notified the producer signatory thereof.

SECTION N:

This agreement shall be referred to as the Producer-Screen Directors Guild Basic Agreement of 1939.

SIGNATORIES

SCREEN DIRECTORS' GUILD, INC.

By.....

1508 Cross Roads of the World
Hollywood 28, California

Date.....

.....
Producer

By.....

.....
Address

.....

# SIGNATORIES

ACTION PICTURES
ALSON PRODUCTIONS
ANGELUS FILMS
APEX FILM CORPORATION
ARGUS PICTURES, INC.
ARNOLD PRODUCTIONS
AVON PICTURES

BENNETT, CONSTANCE PRODUCTIONS
BILTMORE PRODUCTIONS
BOGEAUS PRODUCTIONS
BOOTS & SADDLES
BRONSTON PICTURES
BUELL, JED PRODUCTIONS

CALIFORNIA PICTURES CORPORATION
CAPRA PRODUCTIONS, INC.
CHAPLIN, CHARLES PICTURES
CINEMA ARTISTS CORPORATION
COLMES PRODUCTIONS
COLUMBIA PICTURES CORPORATION
CONTINENTAL PICTURES, INC.
COWAN, LESTER PRODUCTIONS
COYLE, J. T. PRODUCTIONS
CRITERION PRODUCTIONS

DARMOUR, INC.
DERR, E. B. PRODUCTIONS

FEDERAL FILMS, INC.
FINE ARTS PICTURES
FRANKLIN BLANK PRODUCTIONS

GLOBE PRODUCTIONS, INC.
GLORIA PICTURES CORP.
GOLDEN GATE PRODUCTIONS
GOLDEN PRODUCTIONS, INC.
GOLDWYN, SAMUEL INC.
GREENTREE PRODUCTIONS, INC.

HAIG CORPORATION
HELLINGER, MARK PRODUCTIONS, INC.
HUGHES, HOWARD PRODUCTIONS

IMPERIAL FILMS, INC.
INTERNATIONAL PICTURES, INC.

JANNY'S CORPORATION

KING BROS. PRODUCTIONS
KING, BURTON PRODUCTIONS
KING, MAX PRODUCTIONS
KORDA, ALEXANDER PRODUCTIONS INC.

LASKY, JESSE L. PRODUCTIONS
LEVY, JULES PRODUCTIONS
LIBERTY FILMS, INC.
LLOYD, FRANK PRODUCTIONS
LLOYD, HAROLD PRODUCTIONS
LOEW-LEWIN PRODUCTIONS
LUBITSCH LESSER PRODUCTIONS

MAJOR PRODUCTIONS
MAYFAIR PRODUCTIONS
MERRICK, ALEXANDER PRODUCTIONS
METRO-GOLDWYN-MAYER STUDIOS
MILLION DOLLAR PRODUCTIONS
MONARCH PICTURES, INC.
MONOGRAM PICTURES CORP.
MOONEY, MARTIN PRODUCTIONS
MORROS, BORIS PRODUCTIONS
MOTION PICTURE ASSOCIATES
MUTUAL PRODUCTIONS, INC.

NERO FILMS, INC.
NEUFELD, SIGMUND PRODUCTIONS

PACIFIC FILMS, INC.
PAN-AMERICAN PICTURES
PARAMOUNT PICTURES, INC.
PICKFORD PRODUCTIONS, INC.
PICTURE CORPORATION OF AMERICA
PRESCOTT PICTURES
PRINCIPAL PRODUCTIONS
PRODUCERS PICTURES CORPORATION
PRODUCERS RELEASING CORPORATION
PYRAMID PICTURES CORPORATION

RAY, B. B. PRODUCTIONS
REED, ROLAND PRODUCTIONS
REPUBLIC PRODUCTIONS
RICHMOND, T. H. PRODUCTIONS
RIPLEY, MONTER PRODUCTIONS
RIPLEY, ARTHUR-RUDOLPH MOULEN PRODUCTIONS
RKO-RADIO PICTURES
ROACH, HAL PRODUCTIONS
ROGERS, CHARLES PRODUCTIONS
ROSS, FRANK-NORMAN KRASNA, INC.
ROWLAND, RICHARD A. PRODUCTIONS
ROWLAND, WILLIAM PRODUCTIONS

SCHRATTER, DAVID PRODUCTIONS
SCHWARTZ, JACK PRODUCTIONS
SELZNICK INTERNATIONAL
SHERMAN, HARRY PRODUCTIONS
SHERWOOD, ROBERT PRODUCTIONS
SIGNAL PICTURES, INC.
SKIRBALL, MANNING PRODUCTIONS
SMALL, EDWARD PRODUCTIONS
STEPHENS LANG PRODUCTIONS
STERN, ALEXANDER PRODUCTIONS
STONE, ANDREW PRODUCTIONS
STROMBERG HUNT PRODUCTIONS

TWENTIETH CENTURY-FOX FILM CORP.
TERNEEN PRODUCTIONS, INC.

UNIVERSAL PICTURES
UNIVERSITY FILMS, INC.
UNITED PRODUCERS CORP.

VENUS COMPANY
VICTORY PICTURES, INC.
VOCO PRODUCTIONS
VOGUE PRODUCTIONS

WALLIS, HAL PRODUCTIONS INC.
WANGER, WALTER PRODUCTIONS INC.
WARNER BROS. PICTURES
WEBB, HARRY S. PRODUCTIONS
WILDER, WILLIAM PRODUCTIONS
WORLD FILMS, INC.
WURTZEL, SOL PRODUCTIONS

ZIEDMAN PRODUCTIONS